BUYCK LAW FIRM, LLC

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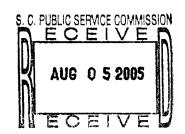
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Hugh W. Buyck Darren K. Sanders

August 3, 2005

Mr. Charles L. A. Terreni Chief Clerk / Administrator South Carolina Public Service Commission 101 Executive Center Drive, Suite 100 Columbia, SC 29210



Re:

Petition of the Office Regulatory Staff to Request Forfeiture of the Bond and to Request Authority to Petition the Circuit Court for Appointment of

a Receiver

PSC Docket No.: 2005-110-W/S

Our file No.: 4.02

Dear Mr. Terreni:

Enclosed please find an original and one copy of a MOTION FOR LEAVE TO INTERVENE OF D. REECE WILLIAMS IV AND ELIZABETH P. WILLIAMS and an ANSWER TO THE PETITION OF THE OFFICE OF REGULATORY STAFF BY D. REECE WILLIAMS IV AND ELIZABETH P. WILLIAMS in response to the Petition of the Office of Regulatory Staff to request Forfeiture of the Bond and to Request Authority to Petition the Circuit Court for Appointment of Receiver. We would ask that you please file the original and return a clocked in copy for our files.

By copy of this letter to all counsel, we are providing the same, and please do not hesitate to contact me should you need anything further.

With kind regards,

Yours Truly,

HWB:tg

cc:

Louis Lang,, Esquire

Jessica J. O. King, Esquire

Benjamin P. Mustian, Esquire

H5056

BEFORE THE PUBLIC SERVICE COMMISSION FOR THE STATE OF SOUTH CAROLINA

DOCKET NUMBER 2005-110-W/S-ORDER NO. 2005-210

| In Re: | Petition of the Office of Regulatory Staff to |) |
|--------|---|----|
| | Request Forfeiture of the Piney Grove | ĺ. |
| | Utilities, Inc bond and to Request Authority | ĺ |
| | To Petition the Circuit Court for | ĺ |
| | Appointment of a Receiver | ĺ |

ANSWER TO THE PETITION OF THE OFFICE OF REGULATORY STAFF BY D. REECE WILLIAMS IV AND ELIZABETH P. WILLIAMS

- D. Reece Williams IV and Elizabeth P. Williams, by and through the undersigned counsel and in accordance with the Motion to Intervene filed concurrently herewith, answer the Petition of the Office of Regulatory Staff to Request Forfeiture of the Bond and to Request Authority to Petition the Circuit for the Appointment of Receiver as follows:
- 1. Each and every allegation of the Petitioner not hereinafter specifically admitted is denied.
- 2. The allegations of paragraph 1 of the Petition state conclusions of law which require no response. To the extent these paragraphs seek to quote, paraphrase or characterize certain sections of the South Carolina Code, the respondents would crave reference to those codified sections for their specific terms and import. To the extent that any allegations in this paragraph remain unanswered, the same is denied as respondents lack sufficient information or belief upon which form an opinion as to their truth or falsity.
- 3. The allegations of paragraph 2 are denied as written with strict proof demanded thereof.

- 4. Paragraph 3 is admitted to the extent that it alleges that D. Reece Williams IV, owns the outstanding shares of Piney Grove, and to the extent it alleges that Louis H. Lang is the agent for service process for Piney Grove. To the extent that any allegations in this paragraph remain unanswered, the same is denied, as these Petitioners lack sufficient information or belief upon which to form an opinion as to its truth or falsity.
- 5. In response to allegations in paragraphs 4 and 5, these Defendants would assert that the allegations contain conclusions of law which require no response.

 However, to the extent that they may require such a response, and to the extent these paragraphs seek to quote, paraphrase or characterize certain portions of the South Carolina Code and/or other written documents or orders, Petitioners would crave reference to those Code Sections, documents or orders for their specific terms and import. To the extent that any allegations in these paragraphs remain unanswered the same are denied.
- 6. To the extent that paragraph 6 seeks to quote, paraphrase or characterize the NPDES Permit, the Consent Order of Dismissal No. 04-007-W or DHEC emergency order 05-040-W, Petitioners would crave a reference to those document for their specific terms and import. To the extent that any allegations in this paragraph remain unanswered, the same is denied as respondents lack sufficient information or belief upon which to form an opinion as to their truth or falsity.
- 7. In response to the allegations in paragraph 7, this Defendant would crave reference to the various applications and, petitions and orders that have been filed to date.
 - 8. Paragraphs 8, 9 and 10 are denied.

- 9. To the extent that paragraphs 11, 12 and 13 seek to quote, paraphrase or characterize certain sections of the South Carolina Code, respondents would crave reference to those sections for their particular terms and import. To the extent any allegations in these paragraphs remain unanswered, the same are denied, as respondents lack sufficient information or belief upon which to form an opinion as to their truth or falsity.
- 10. Paragraph 14 requires no response from Petitioners and to the extent that such a response may be required the same are denied.

<u>FURTHER ANSWERING AND AS AN AFFIRMATIVE DEFENSE,</u> <u>RESPONDENTS ALLEGE:</u>

- 11. Each and every allegation of the Answer is incorporated herein as if set forth fully herein verbatim.
- 12. The petition has been rendered moot, in whole or in part, by way of various orders entered or to be entered in the Court of Common Pleas for the Eleventh Judicial Circuit, in the case captioned <u>South Carolina Department of Health and Environmental Control v. Piney Grove Utilities Inc.</u> Case No. 2005-CP-32-1319 in that the respondents have no custody, control or ability to address the issues raised within the Petition.

FURTHER ANSWERING AND AS AN AFFIRMATIVE DEFENSE, RESPONDENTS ALLEGE:

- 13. Each and every allegation of this Answer is incorporated herein as if set forth fully herein verbatim.
- 14. That the Petition as requested and the relief requested by Petitioners would violate these Defendants rights of due process pursuant to both State and Federal law.

FURTHER ANSWERING AND AS AN AFFIRMATIVE DEFENSE, RESPONDENTS ALLEGE:

- 15. Each and every allegation of this Answer is incorporated herein as if set forth fully herein verbatim.
- 16. The requested retroactive relief asserted by Petitioners is in violation of terms and conditions of the surety bond, Title 58 of the South Carolina Code, the South Carolina Constitution and the United States Constitution.

<u>FURTHER ANSWERING AND AS AN AFFIRMATIVE DEFENSE,</u> <u>RESPONDENTS ALLEGE:</u>

- 17. Each and every allegation of this Answer is incorporated herein as if set forth fully herein verbatim.
- 18. The requested relief asserted by the Petitioner should be denied due to impossibility of performance due to the actions, inactions and regulatory efforts undertaken by Petitioner, including but not limited to the Receivership Agreement.

FURTHER ANSWERING AND AS AN AFFIRMATIVE DEFENSE, RESPONDENTS ALLEGE:

- 19. Each and every allegation of this Answer is incorporated herein as if set forth fully herein verbatim.
- 20. That the Plaintiff's Petition in its entirety should be dismissed for lack of jurisdiction over the subject matter and parties and failure to bring the action in the name of the real parties in interest.

Wherefore, having answered the Petition of the Office of the Regulatory Staff, D. Reece Williams, IV and Elizabeth P. Williams request that the Petition be dismissed in its entirety.

Respectfully Submitted,

BUYCK LAW FIRM, LLC

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Charleston, SC 29402

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Hugh W. Buyck (Fed ID #6099)

Attorney for the Plaintiff

Charleston, South Carolina, 2005

4.02/Answer